OFFICE OF THE RENTALSMAN - RENTALSMAN'S TRUST ACCOUNT

FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of net assets of the Office of the Rentalsman - Rentalsman's Trust Account as at March 31, 2004 and the statement of changes in net assets for the year then ended. The Office of the Rentalsman's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the net assets of the Office of the Rentalsman - Rentalsman's Trust Account as at March 31, 2004 and the changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
May 28, 2004

Fred Wendel, CMA, CA
Provincial Auditor

Statement 1

OFFICE OF THE RENTALSMAN - RENTALSMAN'S TRUST ACCOUNT
STATEMENT OF NET ASSETS
As at March 31

	2004	2003
Assets		
Due from General Revenue Fund (Note 3)	$ 19,573	$ 16,021
Net Assets (Note 2b)		
Trust Account Balance (Statement 2)	$ 19,573	$ 16,021

(See accompanying notes to the financial statements)

Statement 2

OFFICE OF THE RENTALSMAN - RENTALSMAN'S TRUST ACCOUNT
STATEMENT OF CHANGES IN NET ASSETS
For the Year Ended March 31

	2004	2003
Trust funds acquired:		
Receipts from landlords or tenants	$ 181,677	$ 155,437
Trust funds expended:		
Payments to landlords or tenants	(178,125)	(158,535)
Increase (Decrease) in assets	3,552	(3,098)
Net assets, beginning of year	16,021	19,119
Net assets, end of year (Statement 1)	$ 19,573	$ 16,021

(See accompanying notes to the financial statements)

OFFICE OF THE RENTALSMAN - RENTALSMAN'S TRUST ACCOUNT
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

1. Legislative Authority

Pursuant to provisions of *The Residential Tenancies Act*, the Office of the Rentalsman - Rentalsman's Trust Account was established for the purpose of receiving and disbursing monies, under Section 35, Section 47 and Section 65 of *The Residential Tenancies Act*. These financial statements reflect the assets and liabilities related to trusts under the administration of the Office.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting policies are considered significant:

a) Receipt and Payment of Trusts

Monies are held in trust on behalf of landlords and tenants where there is a dispute as to the disposition of the security deposit. Monies will be paid out to either the landlord or tenant once the appropriate disposition of the funds has been determined by the Office.

b) Net Assets

Net assets are the total of the various trust monies held on behalf of landlords and tenants.

3. Related Party Transactions

In accordance with established government practice, the Rentalsman's Trust Account has not been charged with any administrative costs and no provision for such cost is reflected in these statements. These costs are borne by the Department of Justice from monies appropriated by the Legislature for such purposes.

Under Section 6(1) of The Residential Tenancies Regulations, 1992, applications are subject to a fee which is recorded as revenue for the Department of Justice. This fee is collected by the Office and forwarded to the Department of Justice. In 2003-04, the fee collected amounted to $223,500 (2002-03 - $205,140).

The Office of the Rentalsman - Rentalsman's Trust bank account, shown as due from the General Revenue Fund, is included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan. No interest is paid into this account by the General Revenue Fund.

4. Financial Instruments

Financial instruments consist of amounts due from General Revenue Fund. There are no significant terms and conditions related to the financial instruments that may affect the amount, timing and certainty of future cash flows. The fair value of these instruments approximates carrying value due to their immediate or short-term maturity.